



THOMAS L. GARTHWAITE, M.D.
Director and Chief Medical Officer

FRED LEAF
Chief Operating Officer

COUNTY OF LOS ANGELES
DEPARTMENT OF HEALTH SERVICES
313 N. Figueroa, Los Angeles, CA 90012
(213) 240-8101

BOARD OF SUPERVISORS

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First District

Yvonne Brathwaite Burke
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May 19, 2005

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**APPROVAL OF AMENDMENT NO. 5 TO AGREEMENT NO. H-208588
WITH MERRY X-RAY CHEMICAL CORPORATION**
(All Districts) (3 Votes)

IT IS RECOMMENDED THAT YOUR BOARD:

1. Approve and authorize the Director of Health Services, or his designee, to sign Amendment No. 5 to Agreement No. H-208588, substantially similar to Exhibit I, with Merry X-Ray Chemical Corporation, to continue equipment maintenance and repair services for an additional 2 years, effective July 1, 2005 through June 30, 2007, at a total net County cost of \$975,130, comprised of \$926,730 for the Department of Health Services, \$8,400 for the Department of Coroner, and \$40,000 for the Sheriff's Department.
2. Delegate authority to the Director of Health Services, or his designee, to offer and sign future Amendments to Agreement No. H-208588 with Merry X-Ray Chemical Corporation, with substantially similar terms to Exhibit I, following County Counsel review and approval, to add or delete equipment to/from this Agreement, for maintenance and repair services and to increase the Agreement sum up to 10% of each Department's annual maximum obligation, effective July 1, 2005 through June 30, 2007.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTIONS:

In approving the recommended actions, the Board of Supervisors is allowing for the continued, uninterrupted provision of maintenance and repair services for medical x-ray film processors and water saver plus units, and collection and disposal of medical x-ray chemicals at various Department of Health Services (DHS), Department of Coroner, and Sheriff's Department facilities.

DHS currently has a Novation Agreement with Merry X-Ray Chemical Corporation (Merry X-Ray) for distribution of x-ray film and many other supplies required for radiology services that will expire on March 31, 2006. The Novation Agreement and Agreement No. H208588 are complementary in that they provide DHS facilities with both radiology supplies and maintenance and repair services resulting in efficient and cost effective radiology equipment operations.

If Merry X-Ray is selected by Novation for a new Agreement effective April 1, 2006, DHS plans to enter into a new Agreement with Merry X-Ray for the same term as the Novation Agreement. However, if Merry X-Ray is not selected for a new contract with Novation, DHS will conduct a competitive bid for maintenance and repair services of medical x-ray film processors and the collection and disposal of medical x-ray chemicals prior to the expiration date of this amendment.

Delegated authority is being requested to add additional equipment when the equipment's manufacturer warranty or extended warranty expire, to avoid a lapse in routine and/or emergency maintenance and repair services.

FISCAL IMPACT/FINANCING:

The total net County cost for Amendment No. 5 is \$975,130, comprised of \$926,730 for DHS, \$8,400 for the Department of Coroner, and \$40,000 for the Sheriff's Department, effective July 1, 2005 through June 30, 2007.

Funding is available in the Fiscal Year (FY) 2005-06 Proposed Budget and will be requested in future fiscal years. See Attachment A for more information.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS:

For a number of years, the Department contracted with Eastman Kodak, who subcontracted with Merry X-Ray, for these services. In 1997, Eastman Kodak informed the Department that it would no longer perform these services. On August 19, 1997, the Board approved an Agreement with Merry X-Ray for the provision of routine and emergency maintenance and repair services

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for medical x-ray film processors, and the collection and disposal of medical x-ray chemicals at various DHS, Department of Coroner, and Sheriff's Department facilities.

Merry X-Ray bills each Department separately for services at their respective facilities. Subsequently, the Board approved Amendment Nos. 1, 2, and 3 to increase the maximum obligation and extend the agreement through June 30, 2005.

During FY 2003-04, DHS purchased water saver plus units through various purchase orders. Amendment No. 4 provided for routine and emergency equipment maintenance and repair services for those units, effective September 14, 2004 through June 30, 2005. DHS determined that Merry X-Ray was the only authorized service company for the water saver plus equipment for Southern California, and that services were of a professional nature and required on a bi-weekly basis.

Amendment No. 5 will provide for continued equipment maintenance and repair services to vital medical x-ray film processors and water saver plus units, and enable the Director to: 1) increase the Agreement sum up to 10% of each Department's maximum obligation, effective July 1, 2005 through June 30, 2007; and 2) add or delete equipment, replace parts and do repairs, as necessary.

Attachment A provides additional information.

The Amendment (Exhibit I) has been approved as to form by County Counsel.

CONTRACTING PROCESS:

It is not appropriate to advertise amendments as a contracting opportunity on the Los Angeles County Online Website.

If Merry X-Ray is not selected by Novation to continue distributing film and other radiology supplies after March 31, 2006, DHS will conduct a competitive bid for maintenance and repair services of the medical x-ray film processors and the collection and disposal of medical x-ray chemicals.

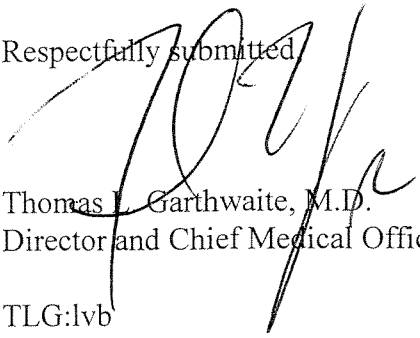
IMPACT ON CURRENT SERVICES (OR PROJECTS):

Board approval will ensure that medical x-ray film processors and water saver plus units are properly maintained and serviced at DHS, Department of Coroner, and Sheriff's Department facilities.

The Honorable Board of
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When approved, this Department requires three signed copies of the Board's action.

Respectfully submitted,



Thomas L. Garthwaite, M.D.
Director and Chief Medical Officer

TLG:lvb

Attachments (2)

c: Chief Administrative Officer
County Counsel
Executive Officer, Board of Supervisors

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SUMMARY OF AMENDMENT

1. TYPE OF SERVICE:

Equipment maintenance and repair services for medical x-ray film processors and water saver plus units, and collection and disposal of medical x-ray chemicals for various Department of Health Services, Department of Coroner and Sheriff's Department facilities.

2. AGENCY ADDRESS AND CONTACT PERSON:

Merry X-Ray Chemical Corporation (Merry X-Ray)
1422 Gardena Avenue
Glendale, California 91204-2784
Attention: Alan Lewin, Manager
Telephone: (818) 240-8370

3. TERM:

Amendment No. 5 to Agreement No. H-208588 extends the term from July 1, 2005 through June 30, 2007.

4. FINANCIAL INFORMATION:

The total net County cost for Amendment No. 5 to Agreement No. H-208588 with Merry X-Ray is \$975,130, comprised of \$926,730 for the Department of Health Services, \$8,400 for the Department of Coroner, and \$40,000 for the Sheriff's Department, effective July 1, 2005 through June 30, 2007. Funding is available in the Fiscal Year (FY) 2005-06 Proposed Budget and will be requested in future fiscal years.

Harbor-UCLA Medical Center:	\$172,500
(includes Long Beach Comprehensive and Wilmington Health Centers)	
High Desert Health System:	\$ 40,000
(includes Antelope Valley Health Centers)	
LAC+USC Medical Center:	\$440,000
(includes Hudson, Roybal and El Monte Comprehensive Health Centers, \$430,000 and Juvenile Court Health Services, \$10,000)	
Martin Luther King, Jr./Drew Medical Center:	\$144,000
(includes Hubert H. Humphrey Comprehensive Health Center)	
Olive View-UCLA Medical Center:	\$ 84,150
Rancho Los Amigos National Rehabilitation Center:	<u>\$ 46,080</u>
TOTAL:	\$926,730

5. GEOGRAPHIC AREA SERVED:

All Districts.

6. PERSON ACCOUNTABLE FOR PROGRAM MONITORING:

Harbor-UCLA Medical Center:	Tecla Mickoseff, CEO
High Desert Health System:	Beryl Brooks, CEO
LAC+USC Medical Center:	Pete Delgado, CEO
Martin Luther King, Jr./Drew Medical Center:	Hank Wells, CEO
Olive View-UCLA Medical Center:	Melinda Anderson, CEO
Rancho Los Amigos National Rehabilitation Center:	Valerie Orange, CEO

7. APPROVALS:

Harbor-UCLA Medical Center:	Tecla Mickoseff, CEO
High Desert Health System:	Beryl Brooks, CEO
LAC+USC Medical Center:	Pete Delgado, CEO
Martin Luther King, Jr./Drew Medical Center:	Hank Wells, CEO
Olive View-UCLA Medical Center:	Melinda Anderson, CEO
Rancho Los Amigos National Rehabilitation Center:	Valerie Orange, CEO
Contracts & Grants:	Cara O'Neill, Chief
County Counsel:	Stephanie Farrell, Deputy County Counsel

EXHIBIT I

Contract # H-208588-5

MEDICAL EQUIPMENT MAINTENANCE AND
REPAIR SERVICES AGREEMENT

AMENDMENT NO. 5

THIS AMENDMENT is made and entered into this _____ day
of _____, 2005,

by and between

COUNTY OF LOS ANGELES
(hereafter "County"),

and

MERRY X-RAY CHEMICAL
CORPORATION
(hereafter "Contractor").

WHEREAS, on August 19, 1997, County and Contractor entered
into an Equipment Maintenance and Repair Services Agreement,
further identified as Agreement No. H-208588, and any amendments
thereto (all hereafter referred to as "Agreement"); and

WHEREAS, pursuant to sections 1441 and 1445 of the
California Health and Safety Code, County has established and
maintains, through its Department of Health Services, various
County hospitals, health centers and comprehensive health centers
(all hereafter referred to as "facilities"); and

WHEREAS, County has neither sufficient personnel nor
adequate space to provide all the needed equipment maintenance
and repair services at facilities; and

WHEREAS, Contractor is duly licensed and certified in California, and Contractor is equipped and staffed to provide the services described hereunder and possesses the competence, equipment, licenses, expertise and personnel required to provide such services; and

WHEREAS, it is the intent of the parties hereto to amend the term of the Agreement to continue maintenance and repair services for the equipment located at County's facilities, and make other changes described hereinafter; and

WHEREAS, County is authorized by California Government Code Section 31000 to contract for these services; and

WHEREAS, for the period of this Amendment, Contractor otherwise agrees to provide facilities with such equipment maintenance and repair services in accordance with the terms and conditions in the Agreement; and

WHEREAS, the Agreement provides that changes may be made in the form of a written Amendment which is formally approved and executed by the parties.

NOW, THEREFORE, the parties agree hereto as follows:

1. This Amendment shall become effective on July 1, 2005 and shall continue in full force and effect to and including June 30, 2007.

2. To the extent not inconsistent with this Amendment and except as set forth and/or in accordance with the terms below,

the terms and conditions of Paragraphs 1 through 36, and Amendments 1, 2, 3, and 4, inclusive, shall continue in effect during the term of this Agreement.

3. Agreement Paragraph 2, DESCRIPTION OF SERVICES, shall be replaced with the following:

"2. DESCRIPTION OF SERVICES: During the term of this Amendment, Contractor shall provide facilities with equipment maintenance and repair services described in Exhibit A-2, for equipment listed on Schedule 1, both attached hereto and incorporated herein by reference."

4. Agreement Paragraph 3, BILLING AND PAYMENT, subparagraph A, shall be replaced with the following:

"A. Contractor shall bill County monthly in arrears for maintenance and repair services provided hereunder, in accordance with the payment rates set forth in Exhibit A-2 for equipment listed on Schedule 1, both attached hereto and incorporated herein by reference."

5. Agreement Paragraph 3, BILLING AND PAYMENT, shall be revised to add the following subparagraph:

"E. Contractor shall maintain a system of record keeping that will allow Contractor to determine when it has incurred seventy-five percent (75%) of the Contract Sum. Upon occurrence of this event, Contractor shall send written

notification to (a) County's Project Director, and
(b) County's Project Manager."

6. Agreement Paragraph 13, COUNTY'S OBLIGATION FOR FUTURE FISCAL YEARS, shall be replaced with the following:

"13. COUNTY'S OBLIGATION FOR FUTURE FISCAL YEARS:

Notwithstanding any other provisions of this Agreement, County shall not be obligated for Contractor's performance hereunder or by any provision of this Agreement during any of County's future fiscal years unless and until County's Board of Supervisors appropriates funds for this Agreement in County's budget for each such future fiscal year. In the event that funds are not appropriated for this Agreement, then this Agreement shall terminate as of June 30th of the last County fiscal year for which funds were appropriated. County shall notify Contractor in writing of such non-allocation of funds at the earliest possible date."

7. Schedule 1, EQUIPMENT LISTING, attached hereto and incorporated herein by reference, shall be added to this Agreement.

8. Except for the changes set forth hereinabove, Agreement shall not be changed in any other respect by this Amendment.

IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Amendment to be subscribed by its

Director of Health Services, and Contractor has caused this Amendment to be subscribed in its behalf by its duly authorized officer, the day, month and year first above written.

COUNTY OF LOS ANGELES

By _____
Thomas L. Garthwaite, M.D.
Director and Chief Medical Officer

MERRY X-RAY CHEMICAL CORPORATION
Contractor

By _____
Signature

Printed Name

Title _____
(AFFIX CORPORATE SEAL)

APPROVED AS TO FORM
BY THE OFFICE OF COUNTY COUNSEL

APPROVED AS TO CONTRACT
ADMINISTRATION:

Department of Health Services

By _____
Cara O'Neill, Chief
Contracts and Grants Division

AMEND_H208588-5_lvb
05/18/05

SCHEDULE 1

MERRY X-RAY CHEMICAL CORPORATION EQUIPMENT LISTING July 1, 2005 through June 30, 2007

DEPARTMENT OF CORONER

Location	Equipment Description	Serial Number
1104 N. Mission Road Room S-28	Kodak RPX-OMAT X-Ray Processor MG-AN	6069

SHERIFF'S DEPARTMENT

Location	Equipment Description	Serial Number
Men's Central Jail Room #6098	Kodak X-OMAT M6-B Processor	3040
Men's Central Jail Room #6098	Kodak X-MAT M7-B Processor	25901
MSB/CTC 2 nd Floor, Room M2139	Kodak X-OMAT M6-B Processor	20222
MSB/CTC 2 nd Floor, Room M2139	Kodak X-MAT M6-B Processor	20388
North County Correctional Facility, Room 432 A	M-6AN	9569

DEPARTMENT OF HEALTH SERVICES

Harbor-UCLA Medical Center:

Location	Equipment Description	Serial Number
Main Unit #1 2W-23	Kodak M-6B Film Processor	11372
Main Unit #2 2W-23	Kodak M-6B Film Processor	15344
Auxiliary 2W-R6	Kodak M6A Film Processor	11644
Auxiliary 2W-R6	Water Saver Plus Unit	

Location	Equipment Description	Serial Number
OR Surgery 2W-30	Kodak M-35A Film Processor	10075
Emergency X-Ray 2	Kodak M-6B Film Processor	11376
PCDC Room 105	Kodak M-6B Film Processor	15141
CT/Rad Therp. B123	Kodak M-6B Film Processor	5967
CT/Rad Therp. B123	Water Saver Plus Unit	
Mammo B200A	Kodak 2000P	
Mammo Imaging Center	Kodak 2000P	
Long Beach CHC:		
Radiology 2 nd Floor	Kodak R-P X-Omat 380 Film Processor	16050
Radiology 2 nd Floor	X-Rite Densitometer	001649
Wilmington Health Center:		
Radiology 2 nd Floor	Kodak M-35 Film Processor	

High Desert Health System:

Location	Equipment Description	Serial Number
Main	M-6AN	
Surgery	M-6AN	
M-35	M-6AN	
Antelope Valley Health Center:		
	M-6AN	

LAC+USC Medical Center:

Location	Equipment Description	Serial Number
Main A 3512	Kodak M6B	152203
Surgery A 9011	Kodak M6AN	11619
#1 OP3P38 Mammo	Kodak M6B Dedicated Mammography	7059
Women Mammo 3K9	Kodak M6AN Dedicated Mammography	1109
Main B 3512	Kodak M6B	15029
Cysto	Kodak M6B	4631
Surgery 9 th Floor	Kodak M6B	3040
Jail 13611	Kodak M7B	23757
Surgery 15640	Kodak M6B	7197
Rad Therapy	Kodak M7B	22577
Dental OP 1P51	Kodak M35	35533
OPD 3P68	Kodak M7B	19419
OPD 3P68#2	Kodak M6AN	5310
Med Ctr HIV Room 5P21 #146	Kodak M6B	24534
Ultracound 3142	Kodak RA270	625
Ultrasound 3K7 Womens	Kodak RA3000	3194
Angio 3 rd Floor	Kodak LP180	873
Room 3K9	Water Saver Plus Unit	
Room 3M25	Water Saver Plus Unit	
U/S	Water Saver Plus Unit	
Angio	Water Saver Plus Unit	
CT	Water Saver Plus Unit	
OR	Water Saver Plus Unit	
Cysto	Water Saver Plus Unit	
Rad Therapy	Water Saver Plus Unit	
Dental	Water Saver Plus Unit	

Location	Equipment Description	Serial Number
OR #2	Water Saver Plus Unit	
Main #1	Water Saver Plus Unit	
Main #2	Water Saver Plus Unit	
Hudson Comprehensive Health Center:		
Room 2129A	Kodak M6AW Film Processor	1131
Room 2126A	Kodak M6AW Film Processor	12728
Room 2132A	Kodak M6B Film Processor	15074
Room 14180	Kodak M6B Film Processor	11588
Roybal Comprehensive Health Center:		
Room 1268	Ultrasound M6AW Film Processor	1271
Room 1268	#1 M6AW Film Processor	1124
Room 1268	Mammo M6AW Film Processor	528
Room 1268	Water Saver Plus Unit	
Room 1268	Water Saver Plus Unit	
Room 1268	Water Saver Plus Unit	
El Monte Comprehensive Health Center:		
Room 2128A	Kodak M8	11924
Room 2129A	Kodak M8	101349
Room 2132A	Kodak M8	101348
Room 2128	Kodak M8	101350
Room 2128A	Water Saver Plus Unit	
Room 2129A	Water Saver Plus Unit	
Room 2132A	Water Saver Plus Unit	
Room 2128	Water Saver Plus Unit	

Location	Equipment Description	Serial Number
Juvenile Court Health Services:		
Central Juvenile Hall Medical Unit	Kodak Film Processor	

Martin Luther King, Jr./Drew Medical Center:

Location	Equipment Description	Serial Number
Room 4L	Kodak M-35	3535
Room 3G3	Kodak M-6B	17474
Room 1E12	Kodak M-6B	15244
Room 1E8	Kodak M-6B	15225
Room 1012 E	Kodak M-6B Film Processor	15233
Room 1012-E	Kodak M-6B Film Processor	15252
Hubert H. Humphrey Comprehensive Health Center:		
Radiology Room 1182	Kodak RP X-Omat M-6B Film Processor	15475
Radiology Room 1182	Kodak RP X-Omat M-7B Film Processor	23151
Radiology Room 1160	Kodak RP X-Omat M-6B Film Processor	21367

Olive-View Medical Center:

Location	Equipment Description	Serial Number
Main B 2 nd Floor	Kodak M-6B Film Processor	15203
Cysto NW220 3 rd floor	Kodak M-6AN Film Processor	4362
Mammo U/S 1 st Floor, #1D111	Kodak M-35 Film Processor	152351

Location	Equipment Description	Serial Number
	Water Saver Plus Unit	
	Water Saver Plus Unit	
Mid Valley Comprehensive Health Center:		
X-Ray Dept.	Kodak M-6B Film Processor	28612
San Fernando Health Center:		
X-Ray Dept.	Kodak 2000A Film Processor	215552

Rancho Los Amigos National Rehabilitation Center:

Location	Equipment Description	Serial Number
Room 161, Bldg.100	Kodak M6B Film Processor # 1	05710
Room 161 Bldg.100	Kodak M-6AN Film Processor # 2	02993
Room 223 Bldg.100 Surgery	Kodak M-6AN Film Processor	07590
MRI CENTER	Kodak 270 RA Film Processor	